

FISCAL NOTE

HB 168 - SB 704

February 16, 2001

SUMMARY OF BILL: Creates a Controlled Substance Database Advisory Committee made up of 14 representatives from the Board of Medical Examiners, the Board of Pharmacy and various health-related boards in the Department of Health. Requires persons licensed to dispense controlled substances to report to the committee. The Department of Commerce and Insurance is required to maintain the database and authorizes the committee to recommend disciplinary action against a dispenser if they fail to provide information. The department is to maintain the database to facilitate identification of prescribing practices and patterns for controlled substances. Any person who obtains information from the database or makes it available for non-authorized purposes is subject to prosecution for a Class D felony.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$150,000 Recurring
\$262,000 One-Time
\$3,100/Incarceration***

Assumes:

- a need for two positions and related expenses in the Department of Commerce and Insurance to maintain the database including an annual charge of \$75,000 from the Office of Information Resources, Department of Finance and Administration
- a one-time expense to OIR of \$250,000 for database development
- one person will be convicted every three years of a Class D felony

According to the TennCare Bureau, federal regulations require that states have a program to review drug use in the TennCare/Medicaid Program. TennCare currently has such a program in place.

**Section 9-4-210, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated for operating cost, in current dollars, shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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